



**Consumers for  
Affordable  
Health Care**

Advocating the right to quality, affordable  
health care for every person in Maine.

Mailing: P.O. Box 2490 Augusta, ME 04338-2490

Office: 207-622-7083 Fax: 1-888-214-5233

[www.maine cahc.org](http://www.maine cahc.org)

Consumer Assistance Helpline 1-800-965-7476

Testimony of Ann Woloson, Executive Director,  
Consumers for Affordable Health Care,  
to the Joint Standing Committee on Taxation  
in opposition to the Governor's tax conformity proposal

Thursday, March 15, 2018

Senator Dow, Representative Tipping, and other members of the Joint Standing Committee on Taxation. I am Ann Woloson, Executive Director of Consumers for Affordable Health Care (CAHC). CAHC is a nonprofit organization that advocates for quality, affordable health care for every person in Maine. We administer Maine's Consumer Assistance Helpline, which received over 6000 calls last year from people seeking assistance in understanding their health coverage options, enrolling in health coverage, or accessing the health care, prescription drugs, medicine, or treatment they needed.

I submit this testimony in opposition to the Governor's proposal to use much of the unanticipated revenue (surplus) the State will receive for tax conformity. There are many other needs and priorities the legislature should consider funding with the unanticipated revenue. I urge you to reject the tax conformity proposal in an effort to make sure that other priorities, including those the State is already legally obligated to implement, are first considered for funding.

Our priority is to make sure Medicaid expansion is funded as soon as possible. Maine people spoke loud and clear when they voted for expansion this past November. Expansion is something Maine people have long been waiting for. As most of you know, it passed through the Legislature with bipartisan support five times and, most recently, was passed by the people of Maine at the ballot box in November.

It is important to remember that Medicaid expansion would bring millions of dollars in new federal funds to Maine, drawing down a 9-to-1 match for most of the people who

would be newly eligible. This will help to strengthen Maine's economy, create new good-paying jobs, and protect our hospitals and community health centers.

Other states that expanded their Medicaid Programs are benefiting:

- Hospitals and community health centers in expansion states are benefiting through increased volume of paying patients, reduced levels of uncompensated care<sup>1</sup> and greater capacity to serve their communities.<sup>2</sup>
- States are using Medicaid expansion to address the drug crisis<sup>3</sup> and build mental health and substance use disorder treatment infrastructure.
- States are using Medicaid expansion to provide treatment services through drug courts, something Maine has struggled to fund adequately statewide.<sup>4</sup>
- The cost of private marketplace insurance coverage has increased at a slower rate in states that have expanded Medicaid.<sup>5</sup>

There is no reason or excuse, especially given the new unanticipated revenue Maine will see this biennium, not to implement Medicaid expansion. Maine people have waited too long. People are going without the coverage – and the health care and medicine they need. They are suffering needlessly as a result. Please reject the proposal to use much of the new revenue for tax conformity and instead consider using some of the revenue to fund and implement Medicaid expansion.

Thank you.

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<sup>1</sup> *The health system haves and have nots of ACA expansion* PwC Health Research Institute: Medicaid 2.0, (2014) [https://www.pwc.com/us/en/health-industries/health-research-institute/assets/pwc-hri-medicaid-report-final.pdf?WT.mc\\_id=Social+Media\\_Twitter\\_Health+Industries](https://www.pwc.com/us/en/health-industries/health-research-institute/assets/pwc-hri-medicaid-report-final.pdf?WT.mc_id=Social+Media_Twitter_Health+Industries)

<sup>2</sup> *Community Health Centers: Recent Growth and the Role of the ACA*, Kaiser Family Foundation, Jan. 18, 2017, <https://www.kff.org/medicaid/issue-brief/community-health-centers-recent-growth-and-the-role-of-the-aca/>

<sup>3</sup> *Medicaid Expansion and Criminal Justice Costs: Pre-Expansion Studies and Emerging Practices Point Toward Opportunities for State*, State Health Reform Assistance Network Charting the Road to Coverage, Nov. 2015, <https://www.shvs.org/wp-content/uploads/2015/11/State-Network-Manatt-Medicaid-Expansion-and-Criminal-Justice-Costs-November-2015.pdf>

<sup>4</sup> *Maine's Adult Drug Treatment Courts*, 2016 and 2015 Reports, [http://www.courts.maine.gov/maine\\_courts/drug/adults.html](http://www.courts.maine.gov/maine_courts/drug/adults.html)

<sup>5</sup> *ASPE: Medicaid Expansion Lowers Marketplace Premiums*, <https://aspe.hhs.gov/pdf-report/effect-medicaid-expansion-marketplace-premiums> *THE EFFECT OF MEDICAID EXPANSION ON MARKETPLACE PREMIUMS*, 8/25/15, <https://www.healthaffairs.org/doi/10.1377/hblog20160826.056278/full/> Tim Jost, *Health Affairs*, 8/26/16.